

In the Matter of the Implementation of an
Energy Conservation Improvement Program
for Minnesota Power

ISSUE DATE: May 25, 1988

DOCKET NO. E015/M-88-257

ORDER CONDITIONALLY ACCEPTING
MINNESOTA POWER'S 1988 ANNUAL
CIP FILING

PROCEDURAL HISTORY

On May 3, 1988, Minnesota Power (MP) filed its proposed Conservation Improvement Program (CIP) for 1988 with the Minnesota Public Utilities Commission (Commission), pursuant to Minn. Rules, part 7840.0500.

On May 20, 1988, Minnesota Power filed a copy of its Notice to All Interested Parties, dated April 29, 1988. This indicates that MP provided notice of the CIP filing to persons on the service list, pursuant to Minn. Rules, part 7840.0800.

FINDINGS AND CONCLUSIONS

The Commission has examined the filing for completeness. The Commission finds that it cannot accept the filing unconditionally at this time because it fails to meet the requirements of Minn. Rules, part 7840.0500. The area of deficiency is discussed below.

Minn. Rules, part 7840.0500, subpart D., Detailed Budget

Minnesota Power has not provided a detailed budget for each project for the next year, as required by the rule. Detailed budgets are necessary to enable the Commission and other parties to examine the cost-effectiveness of individual projects. Cost-effectiveness is a central concern in evaluating proposed CIPs. The Commission needs detailed budgets both to facilitate its own cost-effectiveness

In an earlier Order, Minnesota Power was required by the Commission to develop and present in this filing a water heater conservation project and a rating project for multi-family housing. That Order also suggested the Company consider proposing a construction conservation project or a modified commercial lighting conservation project. Minnesota Power, Docket No. E015/M-87-232, Order Approving Minnesota Power's Conservation Improvement Program and Requiring New Projects and Informational Filings (April 14, 1988), p. 13.

Minnesota Power included the required information in this filing, but indicated that none of the projects was proposed to be included in this year's CIP. Nothing in this Order precludes other parties from commenting on these projects and attempting to show that they should be included in this year's CIP.

Significance

Conditional acceptance of this filing does not imply a Commission finding that it describes a significant level of investment in or expenditure for energy conservation under Minn. Stat. Sec. 216B.241, subd. 2. That determination will be made in a later Order. The Commission encourages parties to comment on the significance of the investments or expenditures described in Minnesota Power's filing.

Extension of Comment Period

The Commission finds it necessary to extend the 30-day comment period provided under Minn. Rules, part 7840.0900, to allow interested parties 30 days from the submission of the Company's supplementary filing to comment on its proposed CIP. Although the filing's deficiencies were not serious enough to require its rejection, they are significant enough to warrant this extension of the comment period.

By requiring the additional information described above, the Commission is making no judgement regarding the merit of Minnesota Power's proposed program or any individual project. Should the program be approved, the supplementary filing will have reduced the need to require post-approval compliance information from the Company.

Also, nothing in this Order should be construed as relieving Minnesota Power from providing any further information requested by the Commission or other participants during the CIP review process. The supplementary filing is necessary because of deficiencies in the Company's initial filing. The Commission anticipates the normal volume of information exchange after the Company provides the additional information.

accepted on the condition that the Company file with the Commission on or before June 6, 1988, the information needed to comply with Minn. Rules, part 7840.0500 in the area detailed herein.

2. Minnesota Power shall provide notice of the June 6, 1988, filing to interested persons, pursuant to Minn. Rules, part 7840.0800.
3. The 30-day comment and alternative project proposal period prescribed by Minn. Rules, part 7840.0900 will end on July 6, 1988.
4. The 15-day period for written responses on the comments and alternative projects prescribed by Minn. Rules, part 7840.0900 will end on July 21, 1988.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)